



BUCHER

Interim report

2022

Cover picture At the production site in Johor Bahru, Malaysia, Bucher Emhart Glass employees assemble glass-forming machines which are in use worldwide to produce glass containers.

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Report to shareholders

Dear Shareholders,

In the first half of 2022, demand for the products and services of Bucher Industries remained at a very high level. Order intake continued to grow, with all divisions except Bucher Hydraulics contributing. Bucher Municipal and Bucher Emhart Glass, in particular, recorded significant increases in orders compared to the prior-year period. Like the entire industrial sector worldwide, the divisions continued to face bottlenecks and delays in the supply chain and logistics, which hampered production. Difficulties in recruiting skilled staff also persisted, especially in the USA. Sales nevertheless grew again, due to higher volumes and price increases. This growth was particularly pronounced



Philip Mosimann,
Chairman of the Board of Directors,
and Jacques Sanche,
Chief Executive Officer

at Bucher Emhart Glass. The war between Russia and Ukraine and the strict COVID-19 measures in China led to uncertainties with noticeable consequences for the supply chains. Business activities in Russia were significantly reduced. The Group's order book remained extremely high. The operating profit margin increased slightly compared with the good prior-year period. The reasons for this good margin were strong capacity utilisation, the ability to pass on high material and transport costs, and the continued low cost base. The Group's profit for the period increased significantly.

CHF million	January – June		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	1'881.5	1'721.5	9.3	12.1	10.7	3'948.3
Net sales	1'777.7	1'607.8	10.6	13.4	12.4	3'176.4
Order book	1'900.3	1'209.3	57.1	61.2	58.7	1'872.7
Operating profit before depreciation and amortisation (EBITDA)	243.4	221.0	10.1			436.6
% of net sales	13.7%	13.7%				13.7%
Operating profit (EBIT)	203.2	179.3	13.3			351.9
% of net sales	11.4%	11.2%				11.1%
Profit for the period	153.9	137.9	11.6			269.2
% of net sales	8.7%	8.6%				8.5%
Earnings per share in CHF	14.97	13.40	11.7			25.96
Operating free cash flow	–162.0	–8.2	n.a.			270.7
Net cash/debt	281.3	328.9	–14.5			550.9
Total assets	2'793.4	2'596.2	7.6			2'768.2
Equity	1'571.4	1'488.5	5.6			1'532.6
Equity ratio	56.3%	57.3%				55.4%
Return on equity (ROE)	18.6%	15.8%				18.4%
Net operating assets (NOA) average	1'082.8	1'078.5	0.4			1'052.0
Return on net operating assets (RONOA) after tax	28.9%	25.1%				25.6%
Number of employees at closing date	14'128	13'404	5.4		4.9	13'562

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

Another increase in return on net operating assets

The return on net operating assets (RONOA) was 28.9%, significantly above the long-term target of 20% and thus well above the cost of capital of 8%. This further increase in the return compared with the prior-year period is attributable to the strong growth in sales with the level of net operating assets remaining stable. Compared with the year end, the net operating assets increased markedly as a result of seasonal factors. This increase was exacerbated by difficulties in the supply chain and logistics and had a negative impact on free cash flow. Net cash amounted to CHF 281 million and will increase again by the end of the year. The equity ratio remained practically unchanged at 56%. In this reporting period, the Group continued to invest in projects that will ensure success in the longer term. The main focus was on the IT project of Kuhn Group and on the construction projects of Bucher Hydraulics and Jetter in Germany.

The divisions' business development

Kuhn Group

Agricultural machines continued to be in strong demand during the first half of 2022 as farm incomes remained at satisfactory levels. However, cost increases for fertiliser, feed and diesel put pressure on farmers' margins. In this environment, Kuhn Group's order intake increased by 5%. In the second quarter, the difficulties in the supply chain eased partially and the division was able to complete and deliver a large number of machines. Sales increased overall by 10% and the operating profit margin was 12.2%.

Bucher Municipal

Demand for municipal vehicles also remained strong. Order intake at Bucher Municipal grew by 28%. Truck-mounted sweepers and the "CityCat V20" and "CityCat VR50" compact sweepers, including the electric models, were important drivers. The division was strongly affected by the difficulties in the global supply chains. Chassis, batteries, hydraulic components and electronics continued to be difficult to procure and then only with delays. As a result, sales were 7% lower than in the prior-year period and the operating profit margin fell to 3.2%.

Bucher Hydraulics

By contrast, the hydraulics markets showed a downward trend at an exceptionally high level. Accordingly, order intake at Bucher Hydraulics was down by 7%. Capacity utilisation remained strong thanks to the continued very high order book. Sales increased by 15% and the operating profit margin was maintained at a high level of 13.7%.

Bucher Emhart Glass

The division had a very good start to the year. Customers approved projects to modernise and expand their plant. They also made investments in completely new production sites. Order intake at Bucher Emhart Glass rose by 34%. Sales grew by 33% compared with the still low prior-year period and the operating profit margin rose to an exceptionally high 17.5%.

Bucher Specials

The markets of Bucher Specials showed differing trends. Overall, order intake increased by 1% and sales by 7%. The operating profit margin was 7.5%.

Board of directors

On 12 April 2022, the annual general meeting confirmed all members of the board of directors and of the compensation committee standing for election and re-elected Philip Mosimann as chairman. Stefan Scheiber was newly elected to the board of directors which, with the simultaneous resignation of Heinrich Spoerry, continues to comprise six members.

Sustainability report 2021

At the end of June, Bucher Industries published its sustainability report 2021, once again presenting products and services that enable its customers to increase their productivity, reduce costs, work safely and, at the same time, minimise their ecological footprint – Bucher’s most effective contribution to a sustainable future. One example is the “GLADIATOR 1210” product range for strip tillage, with which Kuhn Group is continuing its efforts in conservation agriculture. Another example is Bucher Hydraulics’ consistent focus on electrohydraulic subsystems used in electric special and utility vehicles. During the reporting period, Bucher Industries completed the review of its sustainability strategy and began to implement it. As a first step, a strong focus is being placed on CO₂ intensity in production. The Group has set itself the goal of reducing this by 10% over five years. The divisions implemented various measures in 2021 to achieve this goal. These included installing additional photovoltaic capacity, increasing the proportion of electricity from renewable sources that they draw from the grid and replacing older manufacturing equipment with more energy-efficient machinery. Bucher Industries reports on sustainability in accordance with the Global Reporting Initiative (GRI) standards. The sustainability report 2021 is available on the website.

Outlook for 2022

The Group expects demand to weaken over the second half of the year while still remaining at a very high level. The extraordinarily strong order book means that capacities will remain strongly utilised. Difficulties in procurement and logistics are likely to persist for the time being. The shortage of skilled labour will make it difficult to work through the record-high order book. The resulting inefficiencies in production and the generally rising cost base are likely to increase pressure on margins. This is compounded by uncertainties in connection with the war in Ukraine and COVID-19 measures in China. In this environment, the Group expects to see higher sales and a somewhat lower double-digit operating profit margin compared with 2021. The Group’s profit for the year is expected to be on a par with the high level of the previous year.

Niederweningen, 28 July 2022



Philip Mosimann
Chairman of the Board of Directors



Jacques Sanche
Chief Executive Officer

Divisional reports

Bucher Industries comprises five specialised divisions in industrially related areas. The operations are geared towards fundamental human needs and have substantial worldwide growth and earnings potential. The Group's divisions are focused on specialised agricultural machinery, municipal vehicles, hydraulic components, manufacturing equipment for the glass container industry, equipment for processing beverages, as well as automation solutions.

Kuhn Group

CHF million	January – June		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	635.3	607.7	4.5	6.0	1'675.7
Net sales	799.0	727.6	9.8	12.4	1'318.9
Order book	730.3	467.1	56.3	58.3	941.0
Operating profit (EBITDA)	114.5	108.3	5.7		195.6
% of net sales	14.3%	14.9%			14.8%
Operating profit (EBIT)	97.9	91.0	7.6		160.8
% of net sales	12.2%	12.5%			12.2%
Number of employees at closing date	6'095	5'800	5.1		5'832

¹⁾ Adjusted for currency effects

Pleasant development overall in a challenging business environment

Agricultural machines continued to be in strong demand during the first half of 2022 as farm incomes remained at satisfactory levels due to generally favourable weather conditions, good agricultural commodity prices and various government support programmes. The strong commodity prices were due to demand from China, continued droughts in several regions and the war between Russia and Ukraine. However, cost increases for fertiliser, feed and diesel put pressure on farmers' margins. In this environment of low inventory levels in the distribution network and rising machinery prices, the division's order intake increased at a high level. Its order book remained extremely high even after the cancellation of orders from Russia and Ukraine. In the second quarter, the difficulties in the supply chain eased partially at the European production sites and the division was able to complete and deliver a large number of machines. The shortage of ocean freight containers and the lack of skilled staff, particularly in the USA, continued to be an issue. Sales increased overall, with Brazil contributing strongly. Thanks to the division's very strong capacity utilisation and the pricing measures implemented to absorb the massive increases in material and transport costs, the operating profit margin was close to the good level of the prior-year period.

Outlook for 2022

The division expects demand for agricultural machines to normalise at a very high level in the second half of the year. The uncertainties caused by the war and the increasing pressure on margins are likely to dampen agricultural producers' willingness to invest. The difficulties in the supply chain and logistics are likely to continue. The division expects an increase in sales thanks to the high order book and an operating profit margin in the double digits.

Bucher Municipal

CHF million	January – June		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	382.1	298.0	28.2	32.6	598.7
Net sales	238.2	255.8	-6.9	-3.7	522.6
Order book	367.9	204.0	80.3	86.4	236.6
Operating profit (EBITDA)	13.1	21.9	-40.2		43.7
% of net sales	5.5%	8.6%			8.4%
Operating profit (EBIT)	7.7	16.6	-53.6		32.7
% of net sales	3.2%	6.5%			6.3%
Number of employees at closing date	2'377	2'348	1.2		2'329

¹⁾ Adjusted for currency effects

Major difficulties in procurement

Demand for municipal vehicles remained exceptionally strong in key markets during the first half of 2022. Order intake at Bucher Municipal grew by a third. This positive trend was driven largely by truck-mounted sweepers and the “CityCat V20” and “CityCat VR50” compact sweepers. The electric models of compact sweepers enjoyed very strong demand. Thanks to the introduction of new spreaders, the order intake for winter equipment was also clearly above the previous year’s level. There were fewer orders in the sewer cleaning segment because customers were unable to procure a sufficient number of chassis for mounting the equipment. The division’s own production was strongly affected by the difficulties in the global supply chains. Chassis, batteries, hydraulic components and electronics continued to be difficult to procure and then only with delays. The temporary shutdown of the IT infrastructure in the fourth quarter of 2021 led to isolated delays in delivery, especially at the beginning of the reporting period. The difficulties in procurement had a negative impact on Bucher Municipal’s production efficiency. In addition, there were staff shortages at the sites in Australia and England. As a result, sales were lower than in the prior-year period, while the order book increased by half compared with the end of 2021. Despite passing on the higher material prices, the operating profit margin was markedly below the prior-year period. This was due to difficulties in the supply chain, which affected efficiency, the reduction of activities in Russia and the consequently lower production output.

Outlook for 2022

The division expects demand for municipal vehicles to normalise at a high level. Supply chain challenges are likely to persist, and chassis deliveries especially are expected to be delayed. The division therefore expects sales to be on a par with those of 2021. The operating profit margin should increase thanks to the efficiency measures implemented in the previous year.

Bucher Hydraulics

CHF million	January – June		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	400.6	429.1	-6.6	-4.9	-8.7	855.7
Net sales	387.1	338.2	14.5	16.1	13.0	680.7
Order book	327.0	225.1	45.3	47.4	37.0	319.6
Operating profit (EBITDA)	63.3	56.8	11.4			110.6
% of net sales	16.3%	16.8%				16.3%
Operating profit (EBIT)	52.9	45.8	15.5			88.0
% of net sales	13.7%	13.5%				12.9%
Number of employees at closing date	2'926	2'689	8.8		7.8	2'825

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

Continued strong capacity utilisation

The hydraulics markets showed a downward trend at an exceptionally high level in the first half of 2022. Accordingly, order intake at Bucher Hydraulics was down on the prior-year period. The decrease in orders in the important agricultural machinery, materials handling and construction machines segments could not be offset by the increase in other segments. In regional terms, the decline in order intake was mainly attributable to Asia, where a slowdown had already become apparent at the end of 2021 and was aggravated by COVID-19 restrictions in China. The division's capacity utilisation remained strong thanks to its continued very high order book. Shortages of staff and bottlenecks in the supply chain continued to pose difficulties for production. Sales rose again, nevertheless. This increase was particularly pronounced in North America, where recovery from the slump triggered by the pandemic began later than in Asia and Europe. Thanks to these higher sales, the good cost structure and price adjustments, the operating profit margin was maintained at the high level of the prior-year period.

Outlook for 2022

The division expects demand to slow down, especially in Asia and parts of Europe, while still remaining at a very high level. Capacity utilisation will remain high, due in part to the high order book, and shortages of staff will persist. Challenges in production are therefore likely to continue. Bucher Hydraulics expects its sales to increase and its operating profit margin to be at a similar level to 2021.

Bucher Emhart Glass

CHF million	January – June		Change		Full year
	2022	2021	%	% ¹⁾	2021
Order intake	315.0	234.6	34.3	41.6	521.7
Net sales	229.6	172.2	33.3	39.8	394.3
Order book	357.7	221.1	61.8	70.9	285.2
Operating profit (EBITDA)	44.6	28.2	58.2		71.2
% of net sales	19.4%	16.4%			18.1%
Operating profit (EBIT)	40.3	23.7	70.0		62.2
% of net sales	17.5%	13.7%			15.8%
Number of employees at closing date	1'594	1'565	1.9		1'563

¹⁾ Adjusted for currency effects

Extraordinarily good sales development

The division had a very good start to the year. Demand for glass containers remained high, and capacities for their production remained scarce. Accordingly, the rapid upturn that had begun in the previous year after the COVID-19 slump continued in the first half of 2022. Customers of Bucher Emhart Glass approved projects to modernise and expand their plant. They also made investments in completely new production sites. The division's order intake, which was already at a good level, rose by a third. Demand was high in all important regions, including Asia, where a certain amount of caution had still been observed in the previous year. In particular, orders for glass-forming machinery and related parts increased and, after a delay, there was also an increase in orders for inspection machines. Sales grew by a third compared with the still low prior-year period. Capacity utilisation was very good, and the order book increased significantly compared with the end of 2021. The division continued to adjust capacity successfully in order to increase production. Bottlenecks in logistics and the supply chain continued to cause difficulties. These were aggravated by the pandemic measures taken by the authorities in China. The operating profit margin rose again from a level that was already exceptionally high. This was due to the high sales volume and continued low cost base, combined with improved efficiency and an overall favourable product and project mix.

Outlook for 2022

Bucher Emhart Glass expects that demand for machinery and equipment for manufacturing glass containers will remain high, while increasing uncertainty regarding energy supply will have a dampening effect. Production capacity utilisation will be at an extremely high level due to the very high order book, and the division expects sales to rise considerably as a result. Due to the change in the product mix and the general increase in the cost base, the operating profit margin is likely to be on a par with the previous year.

Bucher Specials

CHF million	January – June		Change			Full year
	2022	2021	%	% ¹⁾	% ²⁾	2021
Order intake	181.0	178.8	1.2	3.9	-0.8	366.4
Net sales	158.6	148.8	6.6	9.3	6.0	321.3
Order book	144.2	105.7	36.4	40.5	33.3	120.5
Operating profit (EBITDA)	14.2	14.0	1.4			32.2
% of net sales	9.0%	9.4%				10.0%
Operating profit (EBIT)	11.9	11.7	1.7			27.5
% of net sales	7.5%	7.9%				8.6%
Number of employees at closing date	1'076	941	14.3		9.7	953

¹⁾ Adjusted for currency effects ²⁾ Adjusted for currency and acquisition effects

Stable business performance overall

The markets of Bucher Specials showed differing trends in the first half of 2022. Customers of Bucher Vaslin continued to show keen interest, but this was not reflected in its seasonal business trend due to the strained supply chain. Bucher Unipektin experienced a very positive first half-year and sales increased significantly thanks in part to the good order book. The beer business grew significantly, driven in particular by the acquisition of the Czech company Denwel with about 40 employees in January 2022. Thanks to this acquisition, Bucher Unipektin now offers a complete programme of technologies for processing beer. Integration of this business is proceeding according to plan. Business performance at Bucher Landtechnik declined, albeit at a high level and after several very good years. The current uncertainties in the Swiss agricultural market weighed on farmers' willingness to invest, and this was aggravated by delivery problems on the part of manufacturers. The positive trend from the previous year continued at Jetter. This was still strongly driven by the dynamic trend at Bucher Emhart Glass. Overall, order intake and sales at Bucher Specials rose slightly. The operating profit margin was somewhat below the level of the previous year.

Outlook for 2022

The market environment for Bucher Vaslin, Bucher Unipektin and Jetter is expected to remain good. For Bucher Landtechnik, the below-average Swiss harvests in 2021 and general cost increases are likely to reduce customers' willingness to invest. The division expects higher sales overall, thanks in part to the high order book at the beginning of the year and the acquisition of Denwel. The operating profit margin is likely to be on a par with that of 2021 since the major part of the increase in material, personnel and other costs can be compensated.

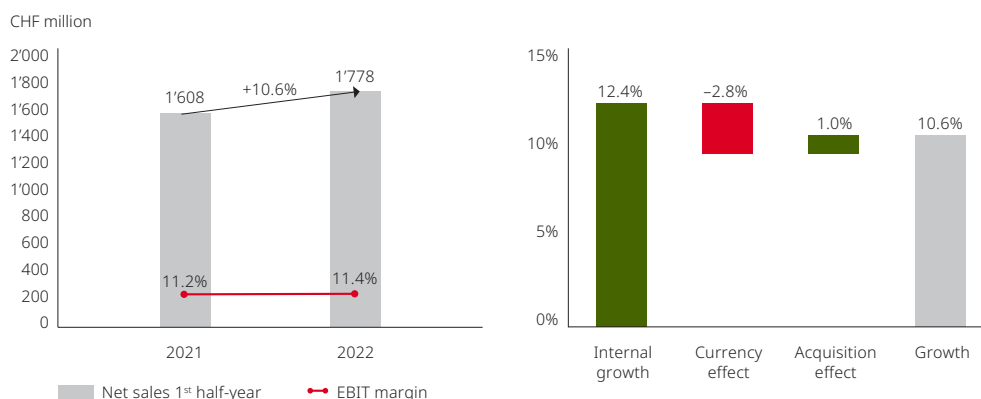
Financial report

In the first half of 2022, the Group achieved an exceptionally high return on net operating assets. This is due to the high increase in net sales while the level of net operating assets continued to be low. The financial position remained very solid.

Financial review

Performance

Good margin with a marked upturn in sales



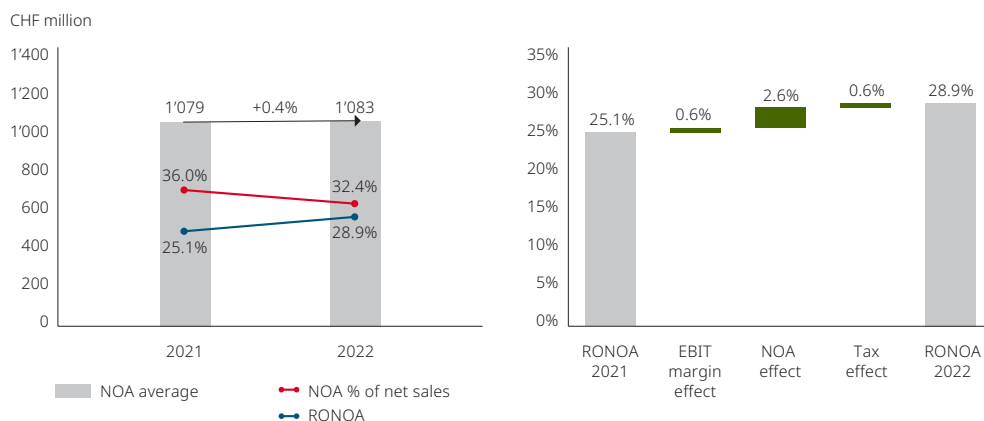
Capacity utilisation remained strong The demand for Bucher Industries' products and services remained on a very high level, and the order intake rose by 9.3%. Despite challenges in the supply chain and logistics, net sales increased by 10.6%. The order book was at a very high level and corresponds to 6.8 months' sales. The negative currency effects of 3 percentage points were mainly a result of the weaker euro. Compared with the first half of 2021, the changes in the average exchange rates against the Swiss franc were as follows: EUR -6.3%, USD +3.6%, GBP -3.2%, SEK -9.6% and BRL +8.7%.

Operating profit margin remained high The operating profit margin was 11.4%, 0.2 percentage points higher than the good result of 2021. Inefficiencies resulting from difficulties in procurement and production could be compensated for through the strong capacity utilisation, by passing on the high costs of materials and transport, and through the cost base, which remained low. On the one hand, there were positive effects of CHF 3.0 million from changes in the valuation of pension benefit obligations, while, on the other hand, a similar amount was charged as impairments and additional expenditure in connection with the reduction of the business activities in Russia. There continued to be challenges in the recruitment of skilled employees, especially in the USA. The number of full-time equivalents increased mainly in Europe and Brazil, and at the closing date it increased by 4.9%, adjusted for acquisitions.

Increase in net profit Compared with the first half of 2021, the net profit increased by CHF 16.0 million to CHF 153.9 million, or 8.7% of net sales. The financial result amounted to CHF -3.5 million and was mainly influenced by negative currency effects from unhedged financial items in foreign currencies. The income tax expense was accrued on the basis of the expected effective tax rates for the current financial year and amounted to CHF 45.8 million. The effective tax rate of 22.9% was in line with recent years.

Invested capital

Significant increase in return on net operating assets (NOA)

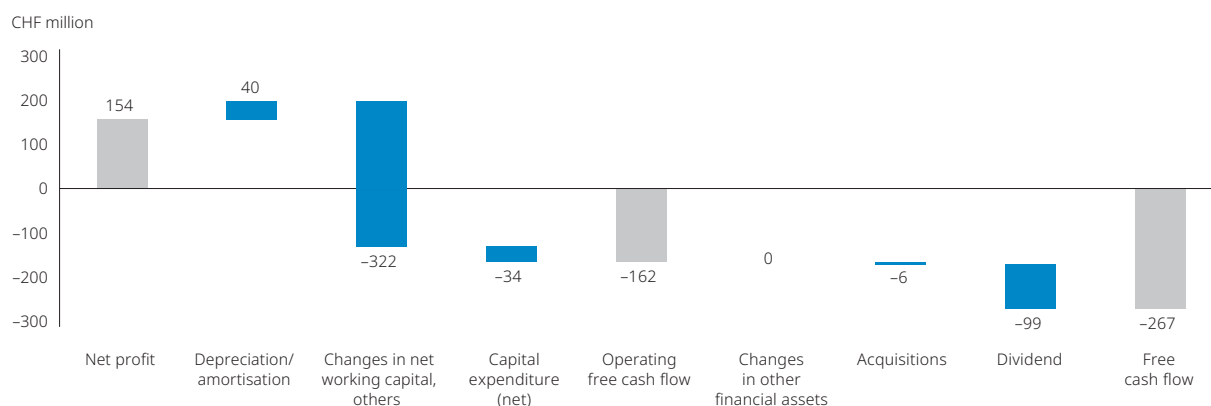


High return on net operating assets The return on net operating assets (RONOA) after tax was an exceptionally high 28.9%, above the long-term target of 20% and thus also well above the cost of capital of 8%. This further increase in the return compared to the prior-year period is due to the strong growth in sales with the level of net operating assets remaining stable. Compared with year end 2021, closing net operating assets increased by CHF 297.6 million. This was due to seasonal factors and also to the bottlenecks in the supply chain and logistics that led to a marked reduction of the inventory turnover.

Strategic investments in internal and external growth Investments in the expansion of the production infrastructure and in the modernisation of production facilities amounted to CHF 34.7 million. The main focus was on the construction projects of Bucher Hydraulics and Jetter in Germany. Expenditure for research and development amounted to CHF 63.3 million and included the development of digital solutions for precision farming, the electrification of municipal vehicles, the development of innovative electrohydraulic subsystems and the “End to End” glass forming. At the beginning of the reporting period, an additional investment was made in external growth with the acquisition of Denwel. The consideration for the acquisition amounted to CHF 6.4 million, and the cash flow was CHF 3.7 million. The acquired company has generated net sales of CHF 5.0 million since the acquisition date.

Financing and risk management

Free cash flow



Negative free cash flow due to seasonal factors The high outflow of cash is mainly due to the increase in net working capital and the higher dividend. The cash used for investing in internal and external growth was in line with the first half of 2021.

CHF million	January – June 2022	January – June 2021	Full year 2021
Profit for the period	153.9	137.9	269.2
Depreciation and amortisation	40.2	41.7	84.7
Changes in net working capital	-327.9	-176.8	-53.8
Other changes	5.6	20.5	42.2
Net investments in property, plant and equipment and intangible assets	-33.8	-31.5	-71.6
Operating free cash flow	-162.0	-8.2	270.7
Changes in other non-current financial assets	0.2	1.3	0.1
Acquisitions	-5.5	-7.2	-45.2
Acquisition of minority interests	-	-	-0.2
Dividend paid/received	-99.3	-68.0	-67.7
Free cash flow	-266.6	-82.1	157.7
Net cash/debt	281.3	328.9	550.9
Net cash/debt average	404.9	347.8	408.2

Solid financial position At mid-year, the Group held cash and liquid assets of CHF 449.8 million compared with financial liabilities of CHF 168.5 million. Net cash thus amounted to CHF 281.3 million and will increase again until the end of the year as a result of seasonal factors. In view of the very solid financial position, the syndicated loan facility of CHF 150.0 million that expired in June 2022 was not renewed. This reduced the unused committed credit facilities to CHF 70.0 million. The financial covenants are reviewed every six months. All credit terms were complied with on the reporting date of 30 June 2022. The equity ratio was 56.3%. This solid financial position continues to secure Bucher Industries' flexibility and to lay the foundation for further growth.

Consolidated financial statements

Consolidated income statement

CHF million	January – June		January – June		Full year	
	2022	%	2021	%	2021	%
Net sales	1'777.7	100.0	1'607.8	100.0	3'176.4	100.0
Changes in inventories of finished goods and work in progress	69.2		51.6		103.3	
Raw materials and consumables used	–988.1		–854.7		–1'703.3	
Employment costs	–431.2		–421.4		–813.8	
Other operating income	12.8		10.7		24.1	
Other operating expenses	–197.0		–173.0		–350.1	
Operating profit before depreciation and amortisation (EBITDA)	243.4	13.7	221.0	13.7	436.6	13.7
Depreciation	–38.1		–39.4		–79.3	
Amortisation	–2.1		–2.3		–5.4	
Operating profit (EBIT)	203.2	11.4	179.3	11.2	351.9	11.1
Share of profit/(loss) of associates	1.5		1.7		2.2	
Finance costs	–6.1		–1.3		–4.7	
Finance income	1.1		3.1		2.6	
Profit before tax	199.7	11.2	182.8	11.4	352.0	11.1
Income taxes	–45.8		–44.9		–82.8	
Profit for the period	153.9	8.7	137.9	8.6	269.2	8.5
Attributable to owners of Bucher Industries AG	153.1		137.0		265.5	
Attributable to minority interests	0.8		0.9		3.7	
Basic and diluted earnings per share (CHF)	14.97		13.40		25.96	

Consolidated balance sheet

CHF million

	30 June 2022	30 June 2021	31 December 2021
Cash and cash equivalents	417.2	462.9	672.2
Other financial assets	32.6	35.5	33.4
Trade receivables	560.3	488.5	438.0
Other receivables, prepayments and accrued income	112.2	99.9	85.6
Inventories	982.7	786.0	845.2
Current assets	2'105.0	1'872.8	2'074.4
Receivables	7.7	7.5	8.4
Property, plant and equipment	591.8	625.0	598.8
Intangible assets	11.2	15.3	12.6
Other financial assets	3.3	3.9	3.4
Investments in associates	13.5	13.5	12.9
Deferred income tax assets	60.9	58.2	57.7
Non-current assets	688.4	723.4	693.8
Assets	2'793.4	2'596.2	2'768.2
Financial liabilities	52.5	34.8	37.4
Trade payables	372.6	312.2	297.8
Advances from customers	192.8	133.9	335.5
Provisions	77.0	70.0	76.3
Other liabilities, accruals and deferred income	329.6	328.4	279.5
Current liabilities	1'024.5	879.3	1'026.5
Financial liabilities	116.0	134.7	117.3
Provisions	11.3	11.1	10.9
Other liabilities	13.9	15.0	14.1
Deferred income tax liabilities	27.6	19.6	23.2
Pension benefit obligations	28.7	48.0	43.6
Non-current liabilities	197.5	228.4	209.1
Total liabilities	1'222.0	1'107.7	1'235.6
Share capital	2.1	2.1	2.1
Treasury shares	-3.5	-5.9	-5.9
Retained earnings	1'553.4	1'473.0	1'515.5
Attributable to owners of Bucher Industries AG	1'552.0	1'469.2	1'511.7
Attributable to minority interests	19.4	19.3	20.9
Equity	1'571.4	1'488.5	1'532.6
Liabilities and equity	2'793.4	2'596.2	2'768.2

Consolidated cash flow statement

CHF million	January – June	January – June	Full year
	2022	2021	2021
Profit for the period	153.9	137.9	269.2
Income tax expense	45.8	44.9	82.8
Share of (profit)/loss of associates	-1.5	-1.7	-2.2
Other net financial result	5.0	-1.8	2.1
Depreciation and amortisation	40.2	41.7	84.7
Other operating cash flow items	-3.3	2.8	1.6
Gain on sale of property, plant and equipment	-0.6	-0.6	-0.2
Interest received	0.6	0.8	2.1
Interest paid	-0.4	-0.2	-1.6
Income tax paid	-28.2	-26.1	-53.3
Change in provisions and pension benefit obligations	-11.8	2.4	10.9
Change in trade receivables	-127.3	-64.8	-33.9
Change in other receivables, prepayments and accrued income	-15.2	-14.9	-14.8
Change in inventories	-145.9	-72.9	-168.7
Change in advances from customers	-139.7	-124.4	94.0
Change in trade payables	78.3	64.9	64.7
Change in other liabilities, accruals and deferred income	28.2	35.8	16.6
Other changes in net working capital	-6.3	-0.5	-11.7
Net cash flow from operating activities	-128.2	23.3	342.3
Purchases of property, plant and equipment	-33.6	-31.4	-71.5
Proceeds on disposal of non-current assets	0.9	1.1	1.9
Purchases of intangible assets	-1.1	-1.2	-2.0
Purchases of other financial assets	-0.9	-0.4	-0.4
Disposal of other financial assets	0.5	1.7	2.3
Acquisitions	-5.5	-7.2	-45.2
Dividend received	0.3	0.1	0.4
Net cash flow from investing activities	-39.4	-37.3	-114.5
Proceeds from/(repayment of) non-current financial liabilities	1.6	-1.5	-0.2
Proceeds from/(repayment of) current financial liabilities	13.9	21.8	7.1
Acquisition of minority interests	-	-	-0.2
Dividend paid	-99.6	-68.1	-68.1
Net cash flow from financing activities	-84.1	-47.8	-61.4
Effect of exchange rate changes	-3.3	10.0	-8.9
Net change in cash and cash equivalents	-255.0	-51.8	157.5
Cash and cash equivalents at 1 January	672.2	514.7	514.7
Cash and cash equivalents at closing date	417.2	462.9	672.2

Consolidated statement of changes in equity

CHF million	Share capital	Treasury shares		Retained earnings			Attributable to owners of Bucher Industries AG	Minority interests	Total equity
			Offset goodwill	Currency translation reserve	Cash flow hedge reserve	Other retained earnings			
Balance at 1 January 2022	2.1	-5.9	-296.0	-151.1	-0.8	1'963.4	1'511.7	20.9	1'532.6
Profit for the period						153.1	153.1	0.8	153.9
Change in currency translation reserve				-10.4			-10.4	-	-10.4
Change in cash flow hedge reserve					-1.0		-1.0	-	-1.0
Share-based payments		2.4				-1.2	1.2		1.2
Goodwill offset			-5.3				-5.3		-5.3
Dividend						-97.3	-97.3	-2.3	-99.6
Balance at 30 June 2022	2.1	-3.5	-301.3	-161.5	-1.8	2'018.0	1'552.0	19.4	1'571.4
Balance at 1 January 2021	2.1	-6.9	-254.5	-134.1	2.4	1'762.3	1'371.3	19.5	1'390.8
Profit for the period						137.0	137.0	0.9	137.9
Change in currency translation reserve				36.8			36.8	0.5	37.3
Change in cash flow hedge reserve					-2.0		-2.0	-	-2.0
Share-based payments		1.0				0.3	1.3		1.3
Goodwill offset			-8.7				-8.7		-8.7
Dividend						-66.5	-66.5	-1.6	-68.1
Balance at 30 June 2021	2.1	-5.9	-263.2	-97.3	0.4	1'833.1	1'469.2	19.3	1'488.5

Notes to the consolidated financial statements

1. Information on this report

General information Bucher Industries AG is a public limited company incorporated in Switzerland whose shares are publicly traded on SIX Swiss Exchange. Its registered office is in Niederweningen, Switzerland. The Group comprises five specialised divisions in industrially related areas of mechanical and vehicle engineering.

Basis of preparation The unaudited condensed financial statements for the six months ended 30 June 2022 have been prepared in accordance with the entire Swiss GAAP FER accounting and reporting recommendations in general and Swiss GAAP FER 31 "Complementary recommendation for listed companies" in particular. As the interim consolidated financial statements do not include all the disclosures contained in the annual consolidated financial statements, this interim report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021.

Significant management assumptions and estimates The preparation of the interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of income, expenses, assets, liabilities and contingent assets and liabilities at the date of the financial statements. All estimates and judgements are reviewed regularly. They are based on historical experience and assumptions about future events. Actual outcomes may differ from these estimates. The consolidated financial statements are adjusted in the reporting period in which the circumstances change. The assumptions underlying the evaluation of the economic benefits or economic obligations of the pension plans were reassessed. Income tax is accrued using the expected average effective tax rates for the current financial year. In view of the war between Russia and Ukraine, the valuation of the assets in the relevant countries was reassessed. Apart from these, management made no new assumptions or estimates in the interim consolidated financial statements compared with the consolidated financial statements for the year ended 31 December 2021.

Performance measures not defined by Swiss GAAP FER Internally and externally, the Group uses additional performance measures that are not defined by Swiss GAAP FER. The composition and calculation of the individual performance measures are set out here: [bucherindustries.com/en/additional-performance-measures](https://www.bucherindustries.com/en/additional-performance-measures)

2. Segment reporting

The Group comprises five divisions: specialised agricultural machinery (Kuhn Group), municipal vehicles (Bucher Municipal), hydraulic components (Bucher Hydraulics), manufacturing equipment for the glass container industry (Bucher Emhart Glass), equipment for processing beverages, a Swiss dealership for tractors and specialised agricultural machinery, as well as automation solutions (Bucher Specials).

Segment information

CHF million	Net sales			Operating profit (EBIT)			Net operating assets (NOA)		
	January – June			January – June			30 June	31 December	
	2022	2021	%	2022	2021	%	2022	2021	%
Kuhn Group	799.0	727.6	9.8	97.9	91.0	7.6	434.0	214.9	102.0
Bucher Municipal	238.2	255.8	–6.9	7.7	16.6	–53.6	257.8	246.6	4.5
Bucher Hydraulics	387.1	338.2	14.5	52.9	45.8	15.5	311.9	286.0	9.1
Bucher Emhart Glass	229.6	172.2	33.3	40.3	23.7	70.0	149.3	129.7	15.1
Bucher Specials	158.6	148.8	6.6	11.9	11.7	1.7	89.4	72.9	22.6
Reportable segments	1'812.5	1'642.6	10.3	210.7	188.8	11.6	1'242.4	950.1	30.8
Other/consolidation	–34.8	–34.8	–	–7.5	–9.5	21.1	30.1	24.8	21.4
Group	1'777.7	1'607.8	10.6	203.2	179.3	13.3	1'272.5	974.9	30.5

The performance of each of the divisions is evaluated on the basis of operating profit, which is measured in the same way for management reporting as in the consolidated financial statements. The figures reported in “Other/consolidation” comprise the results of the holding, finance and management companies, the economic effects of the pension plans of foreign subsidiaries as well as consolidation adjustments for intersegment transactions. Intersegment sales of the divisions were not significant.

Reconciliation of segment results

CHF million		
January – June		
	2022	2021
Segment operating profit (EBIT)	210.7	188.8
Other/consolidation	–7.5	–9.5
Operating profit (EBIT)	203.2	179.3
Share of profit/(loss) of associates	1.5	1.7
Finance costs	–6.1	–1.3
Finance income	1.1	3.1
Profit before tax	199.7	182.8

3. Changes in the group structure

Acquisitions In January 2022, Bucher Industries acquired a 100% interest in Denwel spol. s r.o., Prague, Czech Republic, a supplier of specialised products and systems for the filtration area in breweries. The company was integrated into the Bucher Specials division. The purchase consideration amounted to CHF 6.4 million, the cash flow from the acquisition CHF 3.7 million and the goodwill CHF 4.4 million. Including payments for contingent and deferred consideration from previous acquisitions, the cash flow from acquisitions amounted to CHF 5.5 million and the goodwill after adjustments to contingent consideration was CHF 5.3 million. This was offset with equity.

4. Events occurring after the balance sheet date

Publication of the interim consolidated financial statements The interim consolidated financial statements were authorised for issue by the board of directors on 26 July 2022. When the consolidated financial statements were finalised on 26 July 2022, neither the board of directors nor the group management was aware of any events that would have a material impact on the financial statements presented.

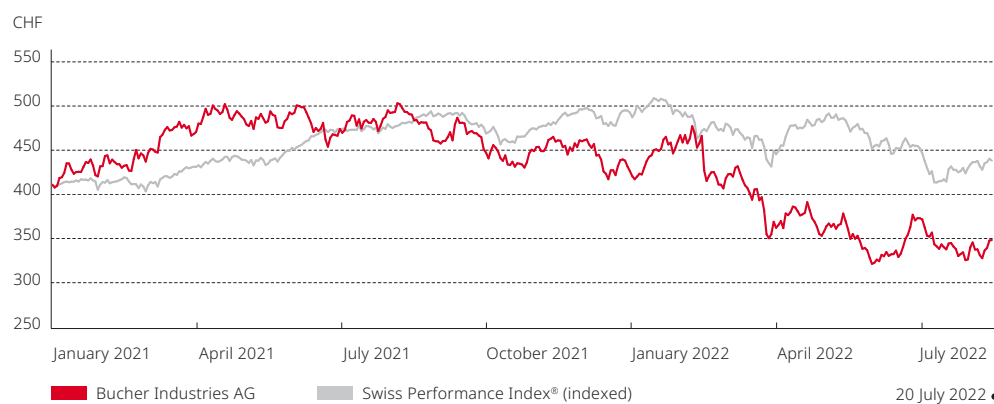
Information for investors

Stock exchange listing

The registered shares of CHF 0.20 each are listed in the main segment of SIX Swiss Exchange:

Security No.	243217
ISIN	CH0002432174
SIX Swiss Exchange	BUCN
Reuters	BUCN.S
Bloomberg	BUCN SW

Share price performance



Financial calendar

Release of third-quarter 2022 group sales	27 October 2022	6.00 a.m.
Release of 2022 group sales	26 January 2023	6.00 a.m.
Annual report 2022	24 February 2023	6.00 a.m.
Annual press conference	24 February 2023	9.00 a.m.
Annual analysts' conference	24 February 2023	3.00 p.m.
Annual general meeting (Mövenpick Hotel, Regensdorf)	19 April 2023	3.30 p.m.
First trading date ex-dividend	21 April 2023	
Dividend payment	25 April 2023	
Release of first-quarter 2023 group sales	27 April 2023	6.00 a.m.
Interim report 2023	27 July 2023	6.00 a.m.
Conference call on the interim results 2023	27 July 2023	10.00 a.m.
Release of third-quarter 2023 group sales	26 October 2023	6.00 a.m.

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28 July 2022

Interim report 2022

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